McDermott Awarded Subsea Umbilical and Flowline Installation Contract by Shell for the Silvertip Field

- McDermott to install a flexible flowline, and umbilical and electrical flying leads for Shell's Perdido Development in the Gulf of Mexico
- Contract marks McDermott's ability to safely and competitively provide world-class subsea work for deepwater oil and gas projects
- McDermott plans to use its North Ocean 102 vessel to perform the work


"This award strengthens McDermott's relationship with Shell as we work together to safely and competitively deliver this next-generation deepwater energy project," said Richard Heo, McDermott's Senior Vice President for North, Central and South America. "Our proven track record of project execution in the Gulf of Mexico, industry-leading subsea capabilities and integrated business model will help drive efficiency while maintaining our uncompromising commitment to safety and quality."

The scope of work includes project management of engineering and installation of a flexible flowline from the well to a pipeline end termination; installation of an umbilical; installation of four electrical flying leads (EFLs) and pre-commissioning. Project management and engineering will be performed in Houston, Texas, with offshore installation by McDermott's North Ocean 102 targeted for completion in 2019.

The Perdido development is Shell's pioneering deep water oil and gas project that unlocked a new frontier of energy development in the Gulf of Mexico's Lower Tertiary Paleogene. The Perdido production hub produces oil and gas from the Silvertip, Great White and Tobago fields. Perdido is one of the most prolific oil and gas producing projects in the Gulf of Mexico. Shell is focused on safely and competitively growing production from Perdido by optimizing the performance of existing wells and through targeted of additional in-field and near-field development opportunities.

The contract award is reflected in McDermott's second quarter 2018 backlog.

About McDermott

McDermott is a premier, fully integrated provider of technology, engineering and construction solutions to the energy industry. For more than a century, customers have trusted McDermott to design and build end-to-end infrastructure and technology solutions—from the wellhead to the storage tank—to transport and transform oil and gas into the products the world needs today. Our proprietary technologies, integrated expertise and comprehensive solutions deliver certainty, innovation and added value to energy projects around the world. Customers rely on McDermott to deliver certainty to the most complex projects, from concept to commissioning. It is called the "One McDermott Way." Operating in over 54 countries, McDermott's locally focused and globally-integrated resources include approximately 40,000 employees and engineers, a diversified fleet of specialty marine construction vessels and fabrication facilities around the world. To learn
Forward-Looking Statements

In accordance with the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995, McDermott cautions that statements in this press release which are forward-looking, and provide other than historical information, involve risks, contingencies and uncertainties that may impact McDermott's actual results of operations. These forward-looking statements include, among other things, statements about the expected scope, execution and timing of the project discussed in this press release. Although we believe that the expectations reflected in those forward-looking statements are reasonable, we can give no assurance that those expectations will prove to have been correct. Those statements are made by using various underlying assumptions and are subject to numerous risks, contingencies and uncertainties, including, among others: adverse changes in the markets in which we operate or credit markets, our inability to successfully execute on contracts in backlog, changes in project design or schedules, the availability of qualified personnel, changes in the terms, scope or timing of contracts, contract cancellations, change orders and other modifications and actions by our customers and other business counterparties, changes in industry norms and adverse outcomes in legal or other dispute resolution proceedings. If one or more of these risks materialize, or if underlying assumptions prove incorrect, actual results may vary materially from those expected. For a more complete discussion of these and other risk factors, please see McDermott's annual and quarterly filings with the Securities and Exchange Commission, including its annual report on Form 10-K for the year ended December 31, 2017 and subsequent quarterly reports on Form 10-Q. This press release reflects management's views as of the date hereof. Except to the extent required by applicable law, McDermott undertakes no obligation to update or revise any forward-looking statement.

Contacts:

Investor Relations

Scott Lamb
Vice President, Investor Relations
+1 832 513 1068
Scott.Lamb@McDermott.com

Global Media Relations

Gentry Brann
Global Vice President, Communications
+1 281 870 5269
Gentry.Brann@McDermott.com


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